

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 20199
[Redacted],)	
)	DECISION
Petitioners.)	
)	
)	

On March 9 2007, the Tax Discovery Bureau (TDB) of the Idaho State Tax Commission (Commission) issued a Notice of Deficiency Determination (NOD) to [Redacted] (petitioners) proposing income tax, penalty, and interest for the taxable years 2000, 2002, 2003, 2004, and 2005 in the total amount of \$28,934.

A timely protest and petition for redetermination was filed by the petitioners. An informal hearing has not been requested by the petitioners. The Commission has reviewed the file, is advised of its contents, and hereby issues its decision affirming the NOD.

The petitioners failed to file their 2000, 2002, 2003, 2004, and 2005 individual income tax returns. On November 7, 2006, the TDB sent a letter with a questionnaire to the petitioners to help the Commission properly determine the petitioners' filing requirement.

On December 11, 2006, the TDB received the petitioners' completed questionnaire in which they marked that they had filed an Idaho individual income tax return for tax year 2000. The petitioners also marked that they were required to file and will file Idaho individual income tax returns for tax years 2000 through 2005.

On January 23, 2007, the TDB sent the petitioners a letter requesting that they file their 2000 and 2002 through 2005 individual income tax returns that had not been received by the Commission.

The TDB also requested that the petitioners send a copy of their completed 2000 Idaho individual income tax return as well as a copy of the their 2000 federal tax return. The Commission did not

have any record of this return. The petitioners were requested to forward any correspondence within 30 days of the date of the letter. The petitioners did not respond to this letter. I [Redacted]. The Commission issued an NOD to the petitioners on March 9, 2007, [Redacted].

In the petitioners' protest letter postmarked May 10, 2007, [Redacted] stated that they did file their return for the 2000 tax year but it was returned to them because the taxes were not on the correct year's form. [Redacted] [Redacted] stated that she put their 2000 taxes on the correct form and sent them back to the state. [Redacted] stated that she could find a copy of what they sent to the Tax Commission [Redacted]. [Redacted] disputed the amount that the Commission said they owed because they have two children and two adults in their family and claim itemized deductions. [Redacted] proposed that over the next 3-6 months she would get her books, receipts, and accounts caught up and take them into an accountant to do their taxes.

The TDB sent the petitioners a letter dated May 15, 2007, which requested the petitioners provide by June 26, 2007, the information and/or returns that they had yet to provide. The petitioners did not respond to this letter.

On July 17, 2007, the Tax Policy Specialist (policy specialist) sent the petitioners a letter to inform them of the alternatives for redetermining a protested NOD. A follow-up letter was sent to the petitioners on September 10, 2007. The petitioners did not respond to either letter.

It is well settled in Idaho that an NOD issued by the Idaho State Tax Commission is presumed to be correct. Albertson's Inc. v. State, Dept. of Revenue, 106 Idaho 810, 814 (1984); Parsons v. Idaho State Tax Commission, 110 Idaho 572, 574-575 n.2 (Ct. App. 1986). The burden is on the petitioners to show that the tax deficiency is erroneous. Id. Since the petitioners have failed to meet the burden in this case, the Tax Commission finds that the amount shown due on the Notice of Deficiency Determination is true and correct.

[Redacted] The petitioners have not provided the Commission with a contrary result to the determination of their income [Redacted] Therefore, the Commission must uphold the deficiency.

WHEREFORE, the Notice of Deficiency Determination dated March 9, 2007, is hereby APPROVED, AFFIRMED, and MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that the petitioners pay the following tax, penalty, and interest:

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2000	\$1,038	\$ 260	\$ 503	\$ 1,801
2002	3,460	865	1,191	5,516
2003	2,834	709	824	4,367
2004	5,623	1,406	1,297	8,326
2005	7,783	1,946	1,327	<u>11,056</u>
			TOTAL DUE	<u>\$31,066</u>

Interest is computed through October 29, 2008, and will continue to accrue at the rate set forth in Idaho Code section 63-3045(6) until paid.

DEMAND for immediate payment of the foregoing amount is hereby made and given.

An explanation of the petitioners' right to appeal this decision is enclosed with this decision.

DATED this _____ day of _____, 2008.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE

I hereby certify that on this ____ day of _____, 2008, a copy of the within and foregoing DECISION was served by sending the same by United States mail, postage prepaid, in an envelope addressed to:

[Redacted]

Receipt No.
